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Congyu Intelligent Agricultural Holdings Limited

從玉智農集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 875)

PLACING OF NEW SHARES UNDER SPECIFIC MANDATE

Placing Agent

Funderstone Securities Limited

PLACING OF NEW SHARES UNDER SPECIFIC MANDATE

The Board is pleased to announce that on 1 April 2026 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 152,916,437 Placing Shares at the Placing Price of HK$0.45 per Placing Share to not less than six (6) Placees who and whose ultimate beneficial owners (if applicable) shall be Independent Third Parties.

Assuming there will be no other change in the issued share capital of the Company between the date of this announcement and the date of the completion of the Placing, the maximum number of the Placing Shares under the Placing represents (i) approximately 28.0% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 21.9% of the issued share capital of the Company as enlarged by the allotment and issue of the maximum number of the Placing Shares immediately after completion of the Placing.

The Placing Price of HK$0.45 per Placing Share represents (i) a discount of approximately 11.8% to the closing price of HK$0.51 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 18.5% to the average closing prices of HK$0.552 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately preceding the date of the Placing Agreement.

USE OF PROCEEDS OF THE PLACING

Assuming all the Placing Shares are successfully placed by the Placing Agent, the maximum gross proceeds from the Placing are estimated to be approximately HK$68.8 million. The maximum net proceeds from the Placing, after deducting the placing commission, professional fees and all related expenses which may be borne by the Company, are estimated to be approximately HK$67.3 million.

The Company intends to apply the net proceeds as to: (i) approximately HK$60.0 million (approximately 89.1% of the net proceeds) for repayment of borrowings; and (ii) the remaining balance of approximately HK$7.3 million (approximately 10.9% of the net proceeds) will be used as general working capital of the Group.

GENERAL

The Placing Shares will be allotted and issued under the Specific Mandate and the Placing subject to the Shareholders' approval at the SGM.

A circular containing, among other things, (i) further details of the Placing Agreement and the transaction contemplated thereunder; and (ii) a notice convening the SGM, will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules.

Completion of the Placing is subject to the fulfilment of the conditions precedent under the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING

The Board is pleased to announce that on 1 April 2026 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 152,916,437 Placing Shares at the Placing Price of HK$0.45 per Placing Share to not less than six Placees who and whose ultimate beneficial owners (if applicable) shall be Independent Third Parties.

The Placing Agreement

The principal terms of the Placing Agreement are summarised below:

Date: 1 April 2026

Issuer: the Company

Placing Agent: Funderstone Securities Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

Placees

The Placing Agent will, on a best effort basis, place the Placing Shares by itself or through its sub-placing agents to not less than six (6) Placees who and whose ultimate beneficial owner(s) (if applicable) shall be Independent Third Parties.

The Placing Agent will use its best endeavours and make all reasonable enquiries to ensure that (i) the Placees and their respective ultimate beneficial owner(s) (if applicable) will be third parties independent of, and not connected with or acting in concert with, the Company, its connected persons and their respective associates; and (ii) none of the Placees will, immediately upon the completion of the Placing, become a substantial shareholder of the Company.

Number of Placing Shares

Assuming that there will be no other change in the issued share capital of the Company between the date of this announcement and the date of the completion of the Placing, the maximum number of the Placing Shares under the Placing represents (i) approximately 28.0% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 21.9% of the issued share capital of the Company as enlarged by the allotment and issue of the maximum number of the Placing Shares immediately after completion of the Placing.

The nominal value of the Placing Shares is approximately HK$1,529,164.37.

Ranking of Placing Shares

The Placing Shares shall rank *pari passu* in all respects among themselves and with the existing Shares in issue as at the date of this announcement.

Placing Price

The Placing Price of HK$0.45 per Placing Share represents:

(i) a discount of approximately 11.8% to the closing price of HK$0.51 per Share as quoted on the Stock Exchange on the date of the Placing Agreement;

(ii) a discount of approximately 18.5% to the average closing price of HK$0.552 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately preceding the date of the Placing Agreement; and

(iii) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 4.04%, represented by the theoretical diluted price of approximately HK$0.5297 per Share to the benchmarked price of approximately HK$0.552 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (i) the closing price of the Shares as quoted on the Stock Exchange on the date of the Placing Agreement of HK$0.51 per Share; and (ii) the average closing price of HK$0.552 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the date of the Placing Agreement).

The Placing Price was determined with reference to the prevailing market price and trading volume of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing Agreement are on normal commercial terms and are fair and reasonable based on the current market conditions. Hence, the Directors consider that the Placing (including the Placing Price) is in the interests of the Company and the Shareholders as a whole.

Placing commission

The Placing Agent will charge the Company a placing commission of 1.0% of the aggregate amount equal to the Placing Price multiplied by the number of the Placing Shares being placed by the Placing Agent, with the maximum placing commission payable being capped at HK$500,000. The placing commission in respect of the Placing was negotiated on arm's length basis between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market conditions, and the Directors are of the view that the placing commission is fair and reasonable.

Conditions precedent of the Placing Agreement

Completion of the Placing is conditional upon the following conditions precedent being fulfilled:

(a) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Placing Shares;

(b) the passing of resolution(s) by the Shareholders to approve the Placing Agreement and the transactions contemplated thereunder at the SGM (including the granting of the Specific Mandate to allot and issue the Placing Shares); and

(c) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained.

None of the above conditions can be waived by the Company or the Placing Agent. In the event that any of the above conditions is not fulfilled on or before 31 July 2026 (or such later date as may be agreed between the parties to the Placing Agreement in writing), all rights, obligations and liabilities of the parties to the Placing Agreement shall cease and terminate and neither of the parties thereto shall have any claim against the other save for any antecedent breach under the Placing Agreement prior to such termination.

Completion of the Placing

Completion of the Placing will take place within four (4) Business Days after the day on which all the conditions set out in the paragraph headed "Conditions precedent of the Placing Agreement" above are fulfilled (or such other date to be agreed between the Company and the Placing Agent in writing).

Termination of the Placing Agreement

The Placing Agent may terminate the Placing Agreement without any liability to the Company save for antecedent breach under the Placing Agreement prior to such termination, by notice in writing given to the Company at any time prior to 8:00 a.m. on the Placing Completion Date upon the occurrence of the following events:

(i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of the Placing Agreement) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's absolute opinion would adversely affect the success of the Placing; or

(ii) the imposition of any moratorium, suspension (for more than seven (7) trading days) or restriction on trading in the securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's absolute opinion, would adversely affect the success of the Placing; or

(iii) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the Placing Agent's absolute opinion any such new law or change may adversely affect the business or financial prospects of the Group and/or the success of the Placing; or

(iv) any litigation or claim being instigated against any member of the Group, which has or may have an adverse effect on the business or financial position of the Group and which in the Placing Agent's absolute opinion would adversely affect the success of the Placing; or

(v) any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole; or

(vi) any breach of any of the representations and warranties of the Company to the Placing Agent under the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Placing Completion Date which if had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect or there has been a breach by the Company of any other provision of the Placing Agreement; or

(vii) any material change (whether or not forming part of a series of changes) in market conditions which in the absolute opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming that there is no other change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, and assuming that the Placing Shares are fully placed under the Placing, set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon completion of the Placing:

	As at the date of this announcement		**Immediately upon completion of the Placing**	
	Number of Shares	*Approximate %*[2]	*Number of Shares*	*Approximate %*[2]
Mr. Lin Yuhao[1]	266,215,087	48.7	266,215,087	38.1
Placees	–	–	152,916,437	21.9
Public Shareholders	279,915,047	51.3	279,915,047	40.0
Total	546,130,134	100.00	699,046,571	100.00

Notes:

1. Mr. Lin Yuhao is an executive Director, the chairman of the Board and the co-chief executive officer of the Company. 264,731,087 out of 266,215,087 shares are held by Sino Richest Investment Holding. Mr. Lin Yuhao is 100% interested in Sino Richest Investment Holding. Mr. Lin Yuhao is therefore deemed to be interested in 264,731,087 Shares held by Sino Richest Investment Holding under the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong).

2. Certain percentage figures included in the table above have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

REASONS FOR AND BENEFITS OF THE PLACING AND USE OF PROCEEDS

The Group is principally engaged in growing of agricultural produce, trading of agricultural and meat produce, poultry, seafood and prepared food in the PRC.

As disclosed in the Company's annual results announcement for the year ended 31 December 2025 (the "**FY2025**") published on 31 March 2026 (the "**2025 Annual Results Announcement**"), the auditor of the Company, has issued a disclaimer of opinion (the "**Disclaimer of Opinion**") on the Company's consolidated financial statements for FY2025. According to the 2025 Annual Results Announcement, as at 31 December 2025, (i) the Group has bank and other borrowings amounted to approximately HK$454,353,000, while its cash and cash equivalents amount to approximately HK$17,158,000 only; and (ii) the Group was in default in relation to, inter alia, the principal amount of bank borrowings totaling approximately RMB72,810,000 (equivalent to HK$81,139,000) due to the late or overdue payments of principal and interests as at 31 December 2025. In addition, subsequent to the end of the reporting period, the Group defaulted in relation to the principal amount of bank borrowing totaling approximately RMB149,750,000 (equivalent to HK$166,881,000) due to the late or overdue payments of principal and interests in accordance with the scheduled repayment dates of certain bank loan agreements. The Company's auditor was of the view that these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

In response to the Disclaimer of Opinion and uncertainties that may cast doubt regarding the Group's ability to continue as a going concern, the Company has been actively exploring opportunities for equity financing to fundamentally improve the Group's cash position and strengthen its capital structure.

Assuming all the Placing Shares are successfully placed by the Placing Agent, the maximum gross proceeds from the Placing are estimated to be approximately HK$68.8 million. The maximum net proceeds from the Placing, after deducting the placing commission, professional fees and all related expenses which may be borne by the Company, are estimated to be approximately HK$67.3 million.

In view of the above, the Company intends to apply the net proceeds as to: (i) approximately HK$60.0 million (approximately 89.1% of the net proceeds) for repayment of borrowings and (ii) the remaining balance of approximately HK$7.3 million (approximately 10.9% of the net proceeds) will be used as general working capital of the Group.

Financing alternatives

Prior to entering into the Placing Agreement, the Company has considered other fund raising alternatives including debt financing and bank borrowings, and various means of other equity financing such as rights issue and open offer.

In respect of debt financing and bank borrowings, taking into consideration that (i) debt financing may incur additional interest burdens, increase gearing levels, and entail lengthy due diligence and negotiations given the Group's financial position, which may be relatively uncertain and time-consuming; (ii) the new Shares to be issued and allotted under the Placing do not incur any interest expenses as compared to bank financing or the issue of bonds; and (iii) bank financing generally requires pledge of assets and/or securities while the Placing would not require, the Directors consider debt financing and bank borrowings are not viable financing alternatives for the Group.

In respect of other equity financing methods, such as rights issue and open offer, taking into consideration on that (i) rights issue and open offer are more time-consuming as compared with the Placing; (ii) additional costs, including but not limited to professional fees, may be incurred due to their complexity and additional documents to be prepared; and (iii) rights issue and open offer may be subject to the uncertainty of the subscription level, the Directors consider equity financing by rights issue or open offer is less favourable than the Placing.

In light of the above, the Directors are of the view that the Placing is comparatively more appropriate and viable mean of fund raising in light of the Group's circumstances.

In view of the foregoing, the Directors consider that the Placing can (i) relieve the Group from its repayment obligations under borrowings and (ii) improve and strengthen the Group's financial position and enlarge the Shareholders' base which may in turn enhance the liquidity of the Shares. As such, the Directors consider that the terms of the Placing Agreement and the transactions contemplated thereunder are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

EQUITY FUND RAISING ACTIVITY OF THE COMPANY DURING THE PAST TWELVE MONTHS

The Company has conducted the following equity fund raising activity in the past twelve (12) months immediately preceding the date of this announcement.

Date of relevant announcements	Event	Net proceeds raised	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
12 September 2025 and 2 October 2025	Placing of new shares under general mandate	Approximately HK$25.9 million	(i) approximately HK$15.0 million for repayment of loan;	(i) fully utilised as intended;
			(ii) approximately HK$8.0 million for development of an agricultural vertical e-commerce platform and agricultural low-altitude economy; and	(ii) approximately HK$4.0 million utilised as intended for development of an agricultural vertical e-commerce platform and agricultural low-altitude economy and the remaining balance of approximately HK$4.0 million will be utilised as intended on or before 30 June 2026; and
			(iii) approximately HK$2.9 million as general working capital of the Group.	(iii) fully utilised as intended.

Save as disclosed above, the Company had not conducted any other equity fund raising activities in the past twelve (12) months immediately preceding the date of this announcement.

SPECIFIC MANDATE

The Placing Shares will be allotted and issued under the Specific Mandate to be sought from the Shareholders at the SGM.

APPLICATION FOR LISTING

The Company will make an application to the Stock Exchange for the grant of the listing of, and permission to deal in, the Placing Shares.

GENERAL

The SGM will be convened for the purposes of considering, and if thought fit, approving the Placing Agreement, the grant of the Specific Mandate and the transactions contemplated thereunder.

A circular containing, among other things, (i) further details of the Placing Agreement and the transaction contemplated thereunder; and (ii) a notice convening the SGM, will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules.

Completion of the Placing is subject to the fulfilment of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

"acting in concert"	has the same meaning ascribed to it under the Takeovers Code
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"Board"	the board of Directors
"Business Day"	a day (excluding Saturday, Sunday, public holiday and any day on which "extreme conditions" caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a "black" rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business throughout their normal business hours
"Company"	Congyu Intelligent Agricultural Holdings Limited (Stock Code: 875), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
"connected person(s)"	has the same meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company

"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	independent third party(ies), to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, who is not connected with the Company and its connected persons
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Placee(s)"	any individual(s), corporation(s) and/or institutional or professional investor(s), who and whose ultimate beneficial owner(s) (if applicable) is/are Independent Third Party(ies), procured by or on behalf of the Placing Agent or its agent(s) to subscribe for any of the Placing Shares
"Placing"	the placing of the Placing Shares by the Placing Agent on and subject to the terms and conditions of the Placing Agreement
"Placing Agent"	Funderstone Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO
"Placing Agreement"	the placing agreement entered into between the Company and the Placing Agent dated 1 April 2026
"Placing Completion Date"	a date falling within four (4) Business Days after the day on which the condition set out in the paragraph headed "Conditions precedent of the Placing Agreement" of this announcement have been fulfilled (or such later date as may be agreed between the parties hereto in writing)
"Placing Price"	HK$0.45 per Placing Share (exclusive of any brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee as may be payable)
"Placing Share(s)"	up to a total of 152,916,437 new Shares to be placed pursuant to the Placing Agreement
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

"SGM"	a special general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving the Placing Agreement, the grant of the Specific Mandate and the transactions contemplated respectively thereunder
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of Share
"Specific Mandate"	the specific mandate to allot and issue the Placing Shares to be proposed for the Shareholders' approval at the SGM
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder(s)"	having the meaning ascribed thereto under the Listing Rules
"%"	per cent

By Order of the Board
Congyu Intelligent Agricultural Holdings Limited
LIN Yuhao
Chairman and Co-Chief Executive Director

Hong Kong, 1 April 2026

As at the date of this announcement, the Board comprises four Directors, including two executive Directors, namely Mr. Lin Yuhao and Ms. Yang Yan and two independent non executive Directors, namely Ms. Zhu Rouxiang and Ms. Li Yang.